



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0057	Title:	Revise laws governing special districts
Primary Sponsor:	Gillan, Kim	Status:	As Amended in House Committee

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
State Spec. Rev. (Grant Funds)	\$42,000	\$35,850	\$36,746	\$37,665
Revenue:				
State Spec. Rev. (Grant Funds)	\$42,000	\$35,850	\$36,746	\$37,665
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill allows for the creation of special districts within and across county boundaries. The project is assumed to be paid with grant funds, should they be available. If the department is unsuccessful, costs would not be incurred.

FISCAL ANALYSIS

Assumptions:

Department of Administration

1. There would be 0.50 FTE needed to create a database for each district. These could be separate databases or separate feature classes in one geo-database but the work required would be the same. The attributes of each district would have to be researched and may be slightly different for each district.
2. Personal services costs are \$33,800 per year for the 2011 biennium. A 2.5% inflationary factor is applied starting in FY 2012.
3. The districts would be mapped from legal descriptions provided by the Department of Revenue.
4. Best practices would need to be developed for describing the districts. Additional work would include education and outreach to counties/cities creating districts, especially in not breaking parcels, following existing mapped geographic features, and writing correct legal descriptions.

5. Additional operating costs include travel, training, and supplies. FY 2010 includes new employee office setup costs of \$1,200 for office package and \$5,000 for a laptop setup and GIS software package.
6. The Department of Administration's ability to develop the standards, best practices and procedures for each district type and create a geo-database for each district will be contingent upon obtaining grant-funded resources for the 0.50 FTE in order to complete the work. For purposes of this fiscal note, grant funds are shown in the state special revenue fund, however they could also be in the federal special revenue fund. If the department is not successful in receiving grant funds, the work would not be completed and no costs would be incurred.

Department of Administration

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.50	0.50	0.50	0.50
<u>Expenditures:</u>				
Personal Services	\$33,800	\$33,800	\$34,645	\$35,511
Operating Expenses	\$8,200	\$2,050	\$2,101	\$2,154
TOTAL Expenditures	\$42,000	\$35,850	\$36,746	\$37,665
<u>Funding of Expenditures:</u>				
State Sp. Rev. (02) -Grant Funds	\$42,000	\$35,850	\$36,746	\$37,665
TOTAL Funding of Exp.	\$42,000	\$35,850	\$36,746	\$37,665
<u>Revenues:</u>				
State Sp. Rev. (02) -Grant Funds	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Combined Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Sp. Rev. (02) -Grant Funds	\$0	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:**Montana Association of Counties (MACO)**

The changes will have a positive fiscal impact through greater efficiency in administering special districts by counties.

Technical Notes:

1. The bill has informally designated two types of districts – “service” and “fee” districts and has excluded “fee” districts from this legislation. The two types of districts aren’t clearly defined.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date